

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

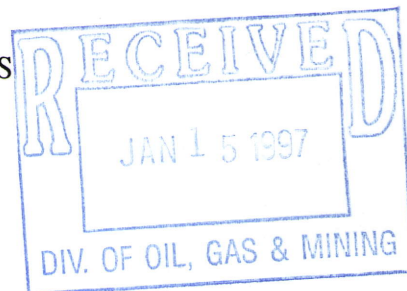
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ANNUAL REPORT OF MINING OPERATIONS

The informational requirements of this form are based on provisions of the Mined Land Reclamation Act, Title 40-8, Utah Code Annotated 1953, as amended, and the General Rules as promulgated under the Utah Minerals Regulatory Program. An operator conducting mining operations under a Notice of Intention must file an annual operations and progress report (FORM MR-AR) with the Division.

I. General Information

1. Report Time Period: From (mo./yr.) 1/96 To (mo./yr.) 12/96
2. DOGM File Number (Mine No): M /023 /007
3. Mine Name: North Lily Mining Company
4. Mineral(s) Mined (or permitted to mine): Gold & Silver
5. Type of mine ☒ Surface Mine or ☐ Underground Mine
6. Legal Description (Location of Lands Affected):

Plant SE 1/4, NE 1/4, Section 35, Township 10 S, Range 3 W
____ 1/4, ____ 1/4, Section _____, Township _____, Range _____
____ 1/4, ____ 1/4, Section _____, Township _____, Range _____

7. Name of Operator or Company: North Lily Mining Company
8. Permanent Street Address: P.O. Box 421

City, State, Zip: Eureka, UT 84628

Phone: 801 433 6804

9. Company Representative (or designated operator):

Name: Paul Spor

Title: General Manager

Business Address: 390 S 600 E

City, State, Zip: St. George, UT 84770

Phone: 801 634 1584

☒ Please check if any of the above information has changed since previous year.

II. Mining and Reclamation

1. Was the mine active during the past year? Yes ☐ No ☒
2. If active, how much ore or mineral was mined? _____

3. How much **additional acreage** was disturbed during the past year? None
4. Briefly describe any new or additional surface disturbances that occurred during the past year. This description should include the type of work performed, and volume of material moved.

N/A

5. How much acreage was **reclaimed** during the past year? Approx. 16 acre
6. Briefly describe the reclamation work performed during the past year. This description should include methods employed, and an evaluation of the results.
Regraded & contoured heap leach pads
7. What is the total disturbed acreage at years end? Approx 10 acre
8. Briefly summarize any mining and/or reclamation plans for the upcoming year.
Plant Site area will be reclaimed

NOTE: Section III., "Additional Information" applies only to large mining operations.

III. Additional Information

1. An updated surface facilities map should be attached if there have been significant changes since the previous map was submitted.
2. Any monitoring results or other reports that are required under the terms of the approved notice of intention should also be attached.

IV. Signature Requirement

I hereby certify that the foregoing is true and correct.

Name (Typed or Print):

Title of Operator:

Signature of Operator:

Date:

Paul C. Spor

General Manager

1/9/97